RAJYA SABHA

Tuesday, the 1st December, 1992/10th Agrahayana, 1914 (Saka)

The House met at eleven of the clock, Mr. Chairman in the Chair.

ORAL ANSWERS TO QUESTIONS

Operation of Private Airlines under "OPEN SKY SCHEME"

*101. SHRI VITHALBHAI M. PATEL :†
SHRI PRAMOD MAHAJAN :

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to refer to answer to Unstarred Question 63 given in the Rajya Sabha on the 24th November, 1992 and state the number of private Airlines that have been permitted to operate under the "Open Sky Scheme" and how many of them have started operation ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION AND TOURISM (SHRI M. O. H. FAROOK): So far 10 air taxi permits have been issued to operators, out of which 9 are holding current permit and 8 are presently operating.

SHRI VITHALBHAI M. PATEL : Mr. Chairman, I welcome the step taken by the Ministry permitting ten air taxis to operate in the country but the policy of liberalisation should be implemented fully and not half-heartedly. They have permitted the private taxis to operate but they have put some conditions. I want to know from the hon. Minister what the conditions put on the private taxis are; whether it is a fact that they have asked them not to decrease the air-fare from what is prevailing in the Indian Airlines and what the reasons are for not allowing them to operate with a lower air fare then the Indian Airlines. Today when the Indian Airlines pilots are blackmailing the Indian Airlines and the Indian Airlines are losing crores of rupees, why don't you permit more and more private air taxis and why don't you permit them to operate wherever they want ? Don't put any restrictions for increasing or decreasing the air-fare. What are the reasons for putting these conditions ? What are the other conditions imposed ?

SHRI M.O.H. FAROOK : Sir, I would like to submit that there is no condition as far as air-fares are concerned regarding the private air taxis. They can operate to any air-field where the civilian airlines are just operating and at the same time at any price that they have fixed. It is for them to decide about the air-fare. As far as we are concerned, we are not putting any restrictions on them.

SHRI VITHALBHAI M. PATEL : Sir, what I have come to know is that they have asked the private taxi operators not to keep the air-fare lower than the Airlines. If not in writing, have they imposed any oral conditions on them or not ? Suppose a private taxi operator wants to run a flight between Delhi and Ahmedabad. Will you allow him to operate from anywhere and at whatever rate he decides ?

SHRI M.O.H. FAROOK : Private air taxi operators are operating under the "Open Sky Policy". They can operate at any place. No oral restriction has been put..... (*Interruptions*) ....

SHRI AJIT P. K. JOGI : That is a fact and they are not allowed to charge less or more.

SHRI M.O.H. FAROOK : Sir, no restriction has been imposed in regard to that.

MR. CHAIRMAN : No restriction is imposed .... (*Interruptions*) .... Second supplementary from Pramod Mahajan. He is not here. ... (*Interruptions*)..... Mr. Dineshbhai Trivedi.

SHRI DINESHBHAI TRIVEDI : Mr. Chairman, Sir, I am totally in support of competition. I have no problems if it is a fair competition but at the same time it is my prime duty to uphold the legislations, the parliamentary norms and the laws passed by this House. This House passes all the legislations in the country.

†The question was actually asked on the floor of the House by Shri Vithalbhai M. Patel.

Sir, I have the Air Corporations Act with me and I would like to submit that the Open Sky Policy is not an Act. If I am not wrong, the Open Sky Policy is just a policy and an act or law has to be passed by this Parliament for its implementation. The Act of 1953 is still in force, if I am not mistaken. That Act very clearly states and I quote :

> "It shall not be lawful for any person other than the Corporation or their associates to operate any scheduled air transport service from, to, in, across India."

There is no ambiguity. The Act has not been repealed. May I ask the hon. Minister whether it is not as illegal as, perhaps, smuggling or any other illegal activities in the country for the private operators to violate this Act and for the Government to be a party to that ? The Act is still in force. May I have this clarification from the hon. Minister through the Chair ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI MADHAVRAO SCINDIA) : Sir, the air taxi operations are indulged in by the private taxi operators under the Open Sky Policy enunciated by the former Minister, Mr. Arif Mohammed Khan, during the Janata Dal Government, in which he had made a statement in front of this highest body of the land, this august House. It is in accordance with the policy enunciated at that time and placed before this august body that the Open Sky Policy enunciated by the former Minister he had very clearly stated and I quote :

> "Air taxi service can be operated both as a charter or on a non-charter basis. The schedule of operations of the air taxis can be filled in advance and it is not necessary to take approval for each flight separately from the DGCA."

So, it is really acting in the sprit of what a predecessor had laid down, the Open Sky Policy, that is being implemented in the country. As far as the Air Corporations Act is concerned, it is before the House. The Bill is pending for the repeal of the Air Corporations Act. ....(*Interruptions*)....

SHRI DINESHBHAI TRIVEDI : The Act or the Policy, which is in force ? What is in force today ? You cannot have both in force. ...(*Interruptions*)....

MR. CHAIRMAN : The hon. Minister has said that there is a Bill before the Parliament for amending the Act. ....(*Interruptions*)....

SHRI DINESHBHAI TRIVEDI : But the Policy cannot supersede that. It is like the Economic Reforms Policy. Under the Reforms Policy the hon. Finance Minister had to come to the Parliament each time. The Prasar Bharti is also a policy, but the Act has not been enforced. So, we are in confusion as to what is prevalent, the Act or the Policy. (*Interruptions*)....

SHRI VITHALBHAI M. PATEL : It has not been introduced in the Parliament. When it be introduced (*Interruptions*)....

SHRI AJIT P. K. JOGI : But mere introduction does not make it a law. (*Interruptions*).... That cannot be superseded by a policy. (*Interruptions*)..

SHRI MADHAVRAO SCINDIA : It is in accordance and in keeping with the spirit of the statement made by the then Minister and kept before both the Houses of Parliament. (*Interruptions*) ....

Mr. CHAIRMAN : Order, order.

SHRI AJIT P. K. JOGI : We all support the policy but the law should be clear.

SHRI JAGESH DESAI : How can you do that when there is no law? (*Interruptions*) ...

SHRI SOM PAL : The question is very straight whether it is violative of the letter and spirt of the law. (*Interruptions*)...

MR. CHAIRMAN : What the Minister is saying is that he is following a precedent.

SHRI V. NARAYANASAMY : Sir, we don't follow the predecessor. Are we following the policy of the prodecessor

Government on Ram mandir-Babri Masjid ? (*Interruptions*)..

SHRI MENTAY PADMANABHAM : For running this air taxi service, I think, they will have to amend the Act. (*Interruptions*)..

We are all ready to amend the Act. Without amending tse Act, how can you run the air taxi business (*Interruptions*)..

SHRI DINESHBHAI TRIVEDI : It is an insult to the Parliament. (*Interruptions*)...

SHRI MENTAY PADMANABHAM : Unit and unless the Act is amended. I don't think they can allow the air taxi to fly. (*Interruptions*)..

SHRI SUKOMAL SEN : If this is taken as a precedent, any matter can be taken as a precedent. What is going on? He is quoting the Janta Dal Government (*Interruptions*)...

SHRI MADHAVRAO SCINDIA : The point is that it was initiated during the predecessor Government's time, not just one but two Government's time. It has been running for two years. This policy has been initiated at that time.

The 'Open Sky' policy announcement the statement, everything was done at that time. As I said, the Air Corporations Act amendment is also pending--the repeal--the Bill is before Parliament. It has already been introduced. As far as the schedule of operation is concerned whenever it comes to the notice of the DGCA he writes a letter that the schedule of operation should not be notified.... (*Interruptions*)....

SHRI DINESHBHAI TRIVEDI : It is for the Parliament to pass; you have taken it for granted... (*Interruptions*)...

SHRI SUKOMAL SEN : It is a very serious issue. Sir, please give your ruling whether, when an Act is existing, the Act can be superseded by a temporary policy announcement. If this precedent is accepted then no Act of the country will have any sanctity, that any temporary policy supersedes any law. Please give your ruling on it because it is a very serious matter.

SHRI SOM PAL : Mr. Chairman, Sir, through you we would ask the Minister to say 'yes' or 'no', whether it violates the Act.. (*Interruptions*)..

MR. CHAIRMAN : I allowed some question but not a discussion. so please sit down. ...(*Interruptions*) ...

SHRI SOM PAL : The Minister has not given a reply, 'yes' or 'no', whether it violates law or not.... (*Interruptions*)..

SHRI VISHVJIT P. SINGH : Sir, I find it very strange that when the Minister has already clarified that he has introduced the Bill, it is already in the process of being passed... (*Interruptions*)...

SHRI JAGESH DESAI : So what? Many Bill are introduced, but we don't discuss them.

SHRI VISHVJIT P. SINGH : May I now come to my question? My question is very simple. On the one hand you have got "Open Sky" policy and on the other hand the pilots have got an "open salary and open perks" policy. They are getting probably the highest salary and the highest perks that anybody gets in this country and in spite of that they are holding the Minister to ransom. I would like to know from the Minister : When are you going to cut this Gordian knot? When are you going to escape from the clutches of this blackmailing which is going on?

SHRI SUKOMAL SEN : What is the relevence?.. (*Interruptions*)..

MR. CHAIRMAN : I think the question is a god one but it does not relate to this question... (*Interruptions*)...

SHRI V. NARAYANASAMY : It relates to the question. It relates to the original question; that is, Question No. 63. Kindly read the question. It relates to the pilots' agitation. That is why the question has been put by the hon. Member..(*Interruptions*)..

SHRI JAGESH DESAI : It is relevant.... (*Interruptions*)....

SHRI AJIT P. K. JOGI : The two are inter-linked. The question is relevant.... (*Interruptions*)....

MR. CHAIRMAN : Please sit down... (*Interruptions*)...

SHRI AJIT P. K. JOGI : These pilots are holding the nation to ransom .... (*Interruptions*)....

SHRI MADHAVRAO SCINDIA : I am not fully briefed for this question on the pilots' agitation. But I can in general terms say that the management, as I am informed is showing utmost restraint and patience. However, there is always a limit for tolerance. The limit will be crossed one of these days. The management has decided to very firm as far as illegal acts are concerned. Unfortunately there are some aspects which are not totally legal as far as what the pilots are doing. So I think the management is going to be very firm. We are trying to be patient. The dialogue must continue. But it will not continue in the vitiated atmosphere that is being created today.

SHRI MOHAMMED AFZAL *alias* MEEM AFZAL : This policy of privatising the airlines may be okay. But I have an advertisement which was published in Bombay's *Times of India* of 11th November. I will just read the headline : "Soon the best people in Air India and Indian Airlines wont work there any more". It is an insult to the Indian Airlines and Air India which are public sector companies. Has the Ministry taken notice of this kind of advertisement given by private airlines. This was published by Damania Airways Ltd. What action do you suggest and what action have you taken ?

SHRI MADHAVRAO SCINDIA : I am gratcful to the hon. Member for having brought this to my notice. I will see that if this violates any Act laid down for publicity and advertisement, if that is so and action is called for, we will certainly take it.

DR. BAPU KALDATE : This is the result of the policy you have announced.

SHRI SURESH KALMADI : I would like to ask on the flight safety aspect of the various mushrooming private airlines that are coming up today. There are so many different types of aircraft and I am very worried about the maintenance aspect. Have these new air taxis got proper maintenance background ? My information is that they have got such a skeleton mainteance back-up and it is difinitely risky to fly in some of these private airlines because of the poor maintenance. Secondly, regarding the numbers of hours which the pilots are flying; a pilot there is flying the whole day right across the country.

It is a total violation of all the rules and regulations. Is there any control on this mushrooming of tircraft ? Also I would request the Member that they should standardise some three or four aircraft only because if you have so many aircraft, the servicing is going to be very difficult. I would also ask the Minister about the pinching of pilots. Today's newspapers report : "Why have the pilots gone to the East-West Airlines from the Indian Airlines ?" Now we are training the pilots here at a big cost and after training, especially on A 320, these pilots are going away to the private airlines. Is there going to be any check on this ?

SHRI VISHVJIT P. SINGH : They are as unsafe as Delhi taxis.

SHRI MADHAVRAO SCINDIA : The hon. Member has made very relevant points and very relevant remarks. Being a pilot, I think he has had the knowledge, especially, of the air safety aspect. I can just assure him that the DGCA is doing its utmost to ensure that the air safety levels, standards, are maintained. And in order to ensure the safety of the air taxi operation, in fact, on the 29th of July, the DGCA did constitute two safety units and these two safety units have caried out safety audit of all the airliies operators. And the number of measures needed to improve the standards. The DGCA has, if any deficiencies have existed, pointed them out and given the operators a time-bound programme within which they have to remove these deficiencies or otherwise their licence will probably be at risk.

SHRI SURESH KALMADI : About the pinching of pilots from the Indian Airlines

SHRI MADHAVRAO SCINDIA : There are some pilots who have gone over to private air taxi operators though the Indian Airlines job, personally I think, is far more attractive. The pilots of the Indian Airlines are flying between 40 and 80 hours a month whereas the private air taxi pilots are made to fly for over 80 hours a month, within the regulations. But they are made to fly to their full capacity. This can be up to 120 hours a month. So on an hourly basis, if you compare the two, the Indian Airlines pilots are earning as much as 20% more than what is paid by the private air taxi operators. Of course, they are wanting more pay. But there is an incentive package which is being offered : 'fly more and earn more. But somehow they seem to be sticking and wanting to earn more while flying the same number of hours. That is what the management has informed us. So I think that it is attractive from the point of view of salary also as I said, they are earning 20% more per hour flown. At the same time, there is also greater job security. I think it is a far more attractive jib. But this is a free country and if some pilots want to go, exercise their option to go somewhere else, they are free to go. Of course, now we have tightened the bonds for the new pilots who are coming in. We have increased the amount—again I speak from memory—from Rs. 7 lakhs to Rs. 10 lakhs because it does cost money to train a pilot. We are trying to tighten up that end. But for those pilots who joined earlier, of course, that part does not apply. It is only for the new entries that we are taking this action now. So this will be applicable for the new sets of pilots who are coming in.

SHRI KAMAL MORARKA : Sir, the 'Open Sky Scheme' has announced by the predecessor Government did not envisage a parallel commercial airline. By the very nomenclature, the term 'air taxi' implies that the aircraft can be chartered by individual parties like a taxi. What is happening now is that in the name of air taxis, parallel air services have started. They are selling tickets for the Bombay-Delhi route which is totally illegal. As my friend, Mr. Dineshbhai Trivedi, read out an extract from the Air Corporations Act, it was neither envisaged in the Open Sky Policy nor was it the intention of Parliament to start a parallel Indian Airlines. The day we want to do it, we should discuss it properly, debate it fully and then do it. I would request the Minister to tell the House whether the Minister will take steps and not that air taxis are run only as taxis and not as parallel air services, at least till such time the Air Corporations Act is amended.

SHRI MADHAVRAO SCINDIA : Sir, this is open to many interpretations. I have said it is possible within the framework of the Open Sky Policy announced by the hon. Minister on the floor of the House.

Complaints of Faulty Telephone

*102. DR. BAPU KALDATE : Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether it is a fact that there are common complaints of over billing, faulty phones and corruption against MTNL;

(b) whether it is also a fact that phones remain dead for several days but the 14 days limit is not crossed, if so, whether Government would consider reducing this limit of 14 dyas to 7 days so that the concerned staff works efficiently; and

(c) if so, by when this is likely to be done; and if not, what are the reasons therefore ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMUNICATIONS (SHRI P. V. RANGAYYA NAIDU) :

(a) There are a few complaints of overbilling, faulty telephones and corruption in MTNL.

(b) Efforts are made and in most of the cases the telephones reported faulty are cleared by the following day. Even telephones affected due to interruption on underground cables or cable theft are also generally attended to within a week. A few difficult cases however to take some more time. Department of Telecommunication has however already decided with effect from 15-6-90 to allow prorata rebate in rental if a telephone remains out of order continuously for seven days or more for departmental reasons. If the